

CONTROLLER STEVE WESTLY

STATE OF CALIFORNIA

300 Capitol Mall
Sacramento, CA 95814
916.445.3028
www.controller.ca.gov

FOR IMMEDIATE RELEASE:
JANUARY 15, 2004

CONTACT: STEVEN FISHER OR
LAURA ADLEMAN
916-445-2636

Westly Urges Mutual Fund Reform

Statement of Steve Westly
January 15, 2004

“Every Californian wants peace of mind that mutual fund investments are managed with their best interests in mind.

“It is critical that we adopt mutual fund reforms that protect investors through better reporting, disclosure and accountability.

“As a member of the National Coalition for Corporate Reform, the mutual fund principles announced today are a good step toward protecting investors and restoring confidence in financial markets.

“These principles follow the reforms I’ve urged:

- Greater independence of mutual fund boards of directors;
- Stronger conflict of interest rules for directors and portfolio managers;
- Stricter requirements for reporting and disclosure of mutual fund fees, costs and holdings;
- And new disclosure requirements for mutual fund executives’ and fund managers’ compensation and fund holdings.

“The new principles are stronger than those the SEC and Congress are considering. I urge the SEC and Congress to immediately codify these principles as the industry standard.”

###